

Florida's Outlook
A Financial Perfect Storm

November 18, 2009

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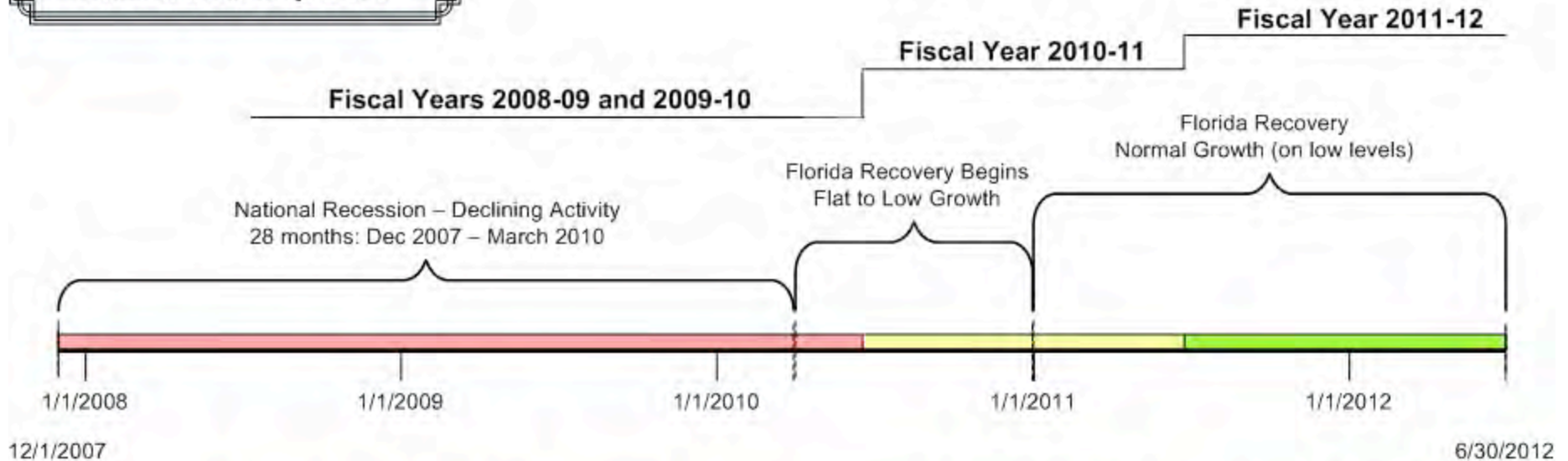
US and Florida Economy

*Florida Will Lag the National Recovery and Experience Only
Modest Growth Beginning in January 2011*

1. The U.S. economy is currently in the **21st month of a forecasted 28-month** recession. The previous longest recession since the Great Depression totaled 16 months, making this recession the worst in modern times by 12 months. The national recession is expected to end in **March of 2010 (7 months)**.
2. The Florida economy will **lag the national recovery by three quarters (9 months)**; not showing an economic upturn until the beginning of the 3rd. quarter of FY10-11.
3. Through FY 2009-10, Florida's economy will experience zero population growth; personal income and employment will continue to decline; unemployment will peak at 11.0% in the third quarter of FY 10-11; and housing starts will continue to decline through this fiscal year.
4. Florida's **recovery will begin January of 2011**, but will be relatively flat. Population will still show virtually no growth; personal income growth will be weak; employment growth weak; unemployment high; and housing starts will turn positive.
5. Normal economic growth for Florida should begin in a little more than **16 months**.

Florida Recovery Timeline

Summer 2009 Projections



Fiscal Years 2008-09 and 2009-10

- National GDP has negative growth of -1.7%.
- National consumer price index is flat.
- National consumer spending is flat.
- Standard & Poor's Index is negative.
- Florida has virtually zero population growth.
- Florida personal income declines.
- Florida employment declines.
- Florida unemployment rate peaks at 10.9%.
- Florida housing starts decline.
- Florida registration of new light vehicles declines.
- Florida visitors decline.

Fiscal Year 2010-11

- National GDP has weak growth.
- Florida population still has virtually no growth.
- Florida personal income has weak growth.
- Florida employment has weak growth.
- Florida unemployment rate is only slightly off the peak.
- Florida private housing starts enter positive territory.

Fiscal Year 2011-12

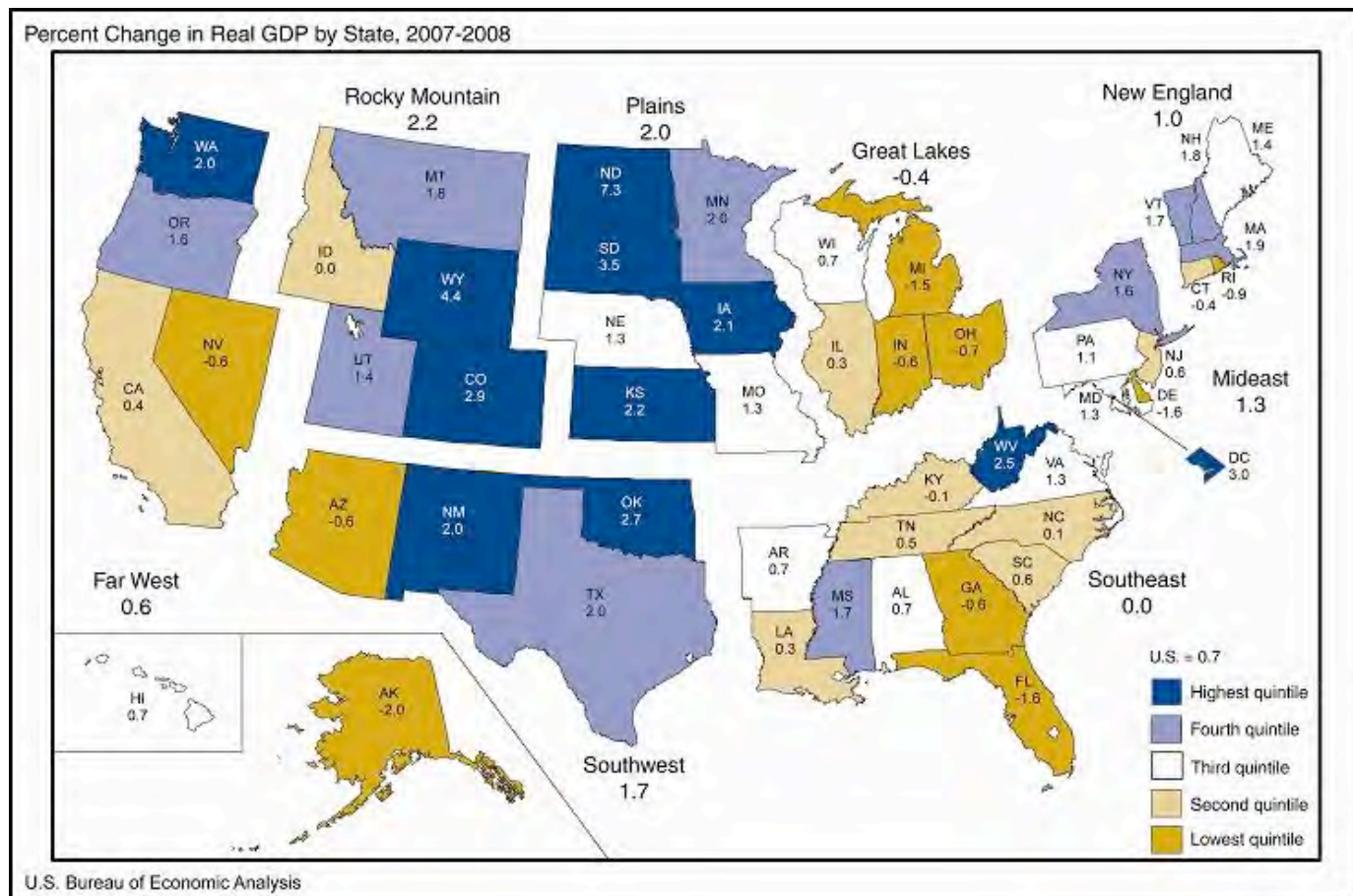
- Most Florida measures return to normal or accelerated growth rates.
- Florida population growth is still weak.
- Florida unemployment rate improves slowly.

HISTORY OF 13 RECESSIONS SINCE THE GREAT DEPRESSION

		Contraction Peak To Trough	
Aug 1929 - Mar 1933		43m	Great Depression
1. May 1937 - Jun 1938		13m	
2. Feb 1945 - Oct 1945		8m	
3. Nov 1948 - Oct 1949		11m	
4. Jly 1953 - May 1954		10m	
5. Aug 1957 - Apr 1958		8m	
6. Apr 1960 - Feb 1961		10m	
7. Dec 1969 - Nov 1970		11m	
8. Nov 1973 - Mar 1975		16m	Longest Recession
9. Jan 1980 - Jly 1980		6m	
10. Jly 1981 - Nov 1982		16m	Longest Recession
11. Jly 1990 - Mar 1991		8m	
12. Mar 2001 - Nov 2001		8m	
13. Dec 2007 - Mar 2010		28m	Current Recession

Economy Lost Ground in 2008

Florida's growth is now declining. State Gross Domestic Product (GDP) ranked us 48th in the nation in real growth with a decline of (-1.6%) in 2008. In 2005, we were ranked 2nd in the nation.



Florida's Net Migration History 1950-2011

Decades	Yearly Net Migration
1950	163,438
1960	136,933
1970	274,305
1980	273,829
1990	261,253
2000	235,090
Average	224,141

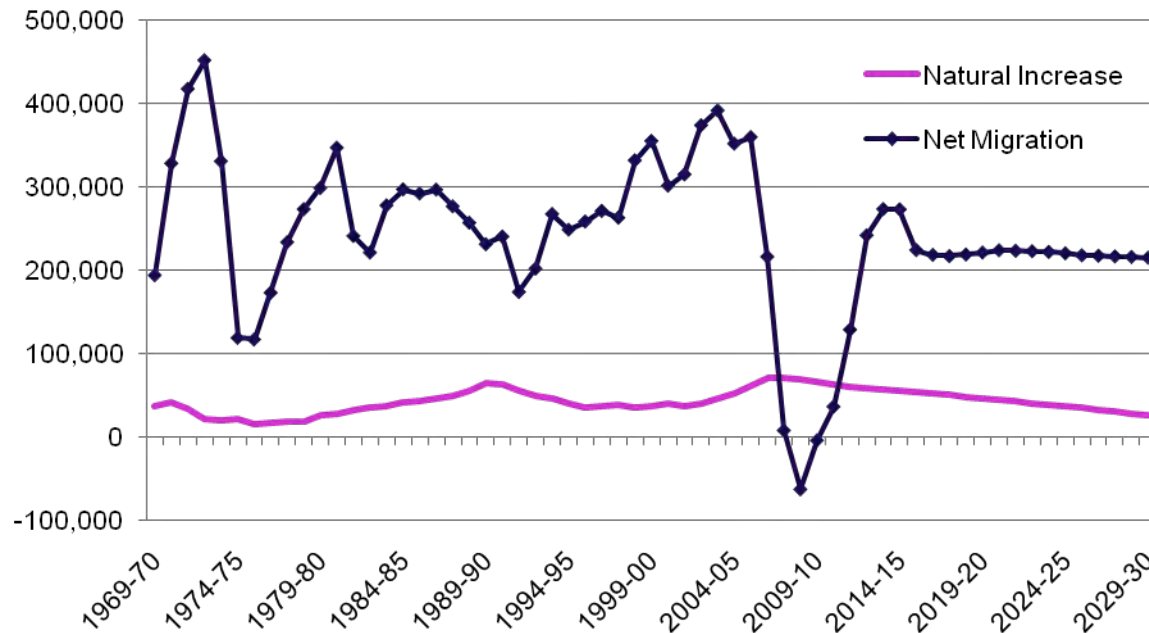
Fiscal Year Net Migration	Net Migration
2000-01	303,100
2001-02	310,700
2002-03	365,100
2003-04	395,000
2004-05	350,600
2005-06	364,000
2006-07	238,600
2007-08	31,900
2008-09	(65,500)
2009-10	11,500
2010-11	13,800

(1) From 1950 to 2010 net migration generated 1 million increase in Florida's population on average every 4 years.

(2) In FY 2003-04 net migration was growing at a rate of 1 million increase in Florida's population every 2 years 7 months.

(3) In FY 2008-09 net migration in Florida declined by 65,000 individuals.

Population Components



- Typically, most of Florida's population growth is from net migration. However, between 2007 and 2008, net migration represented only 10.5 percent of Florida's population growth.
- In 2030, net migration is forecast to represent 89.2 percent of Florida's population growth.



Florida Housing is Improving



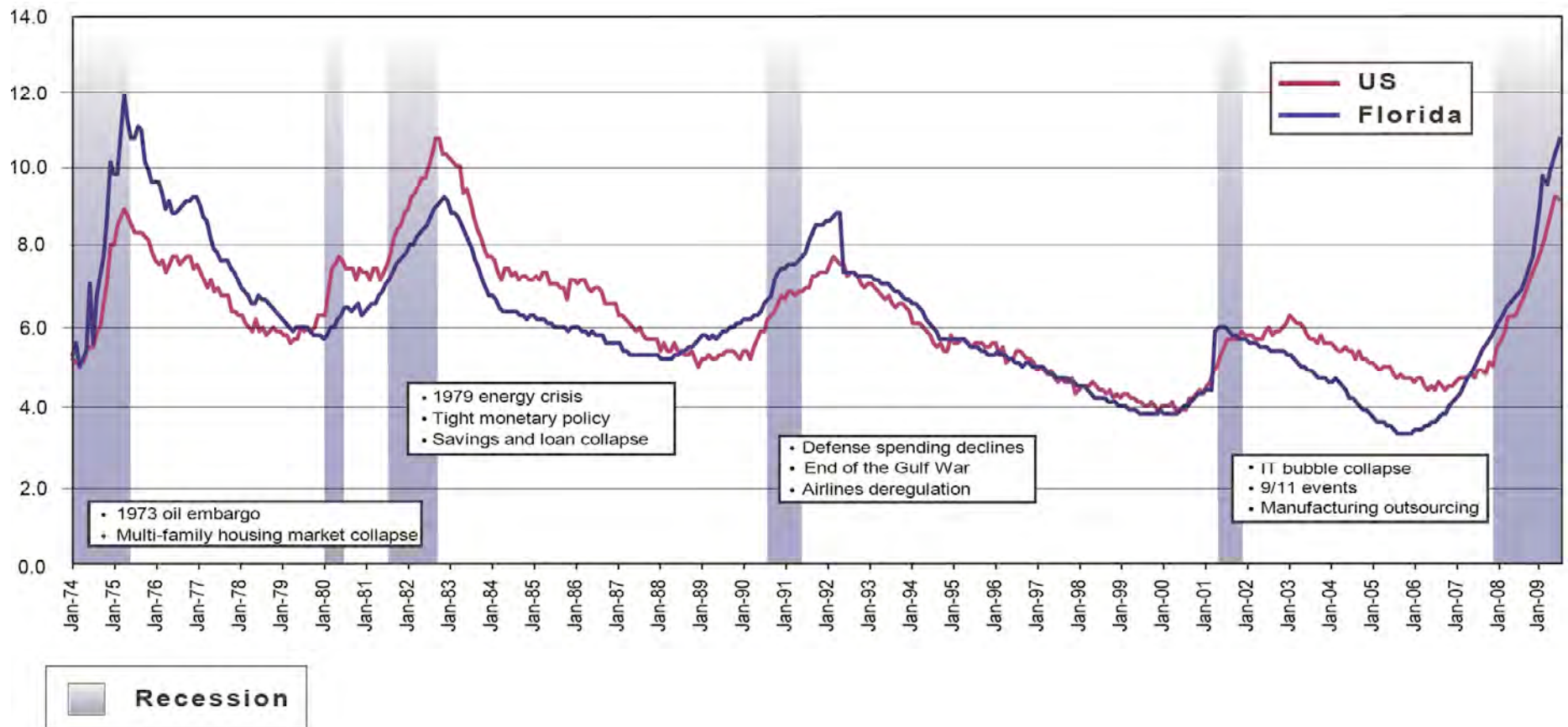
Existing Home Prices Flattening





Unemployment Rates

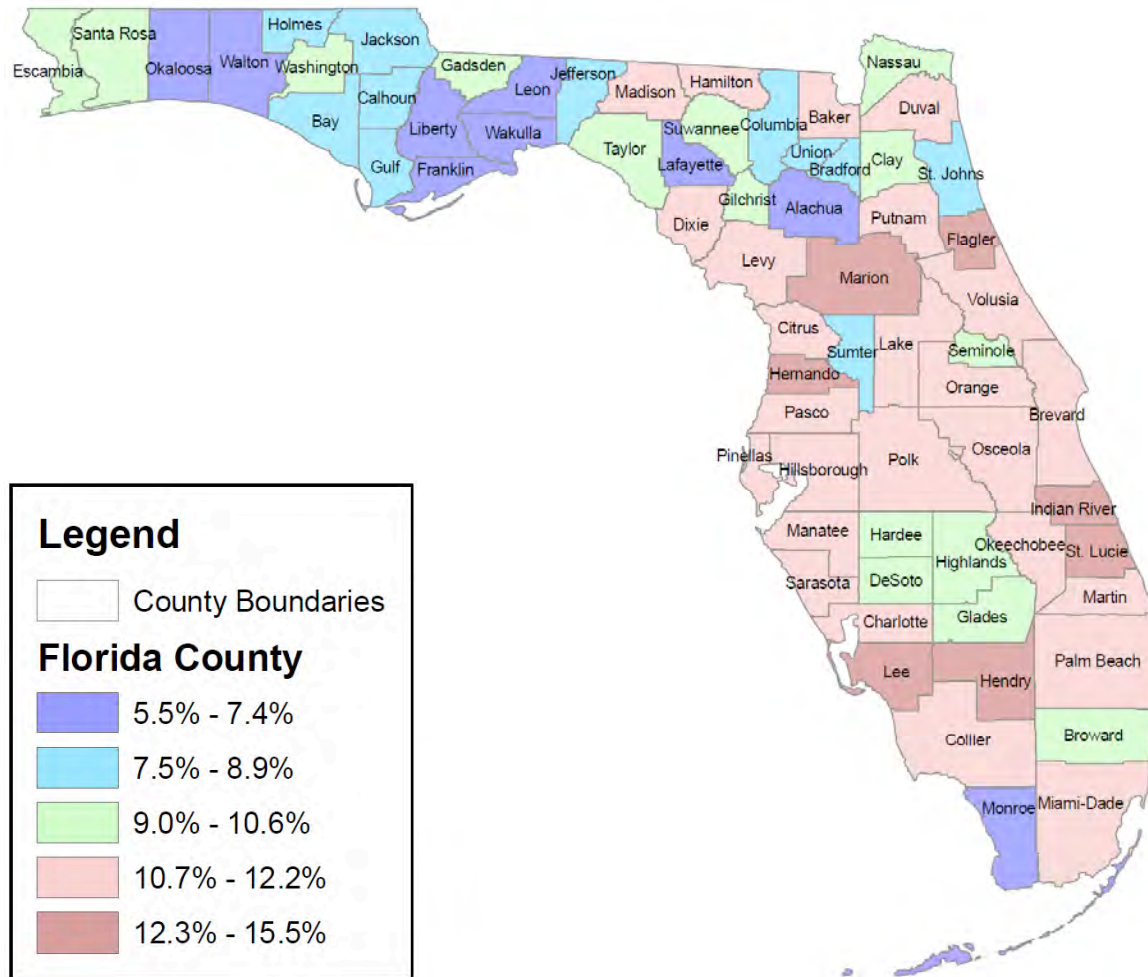
Florida and United States
January 1974 – June 2009
Seasonally Adjusted



Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, released July 17, 2009.



Florida Unemployment Rates by County June 2009 (Not Seasonally Adjusted)



Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program, released July 17, 2009.

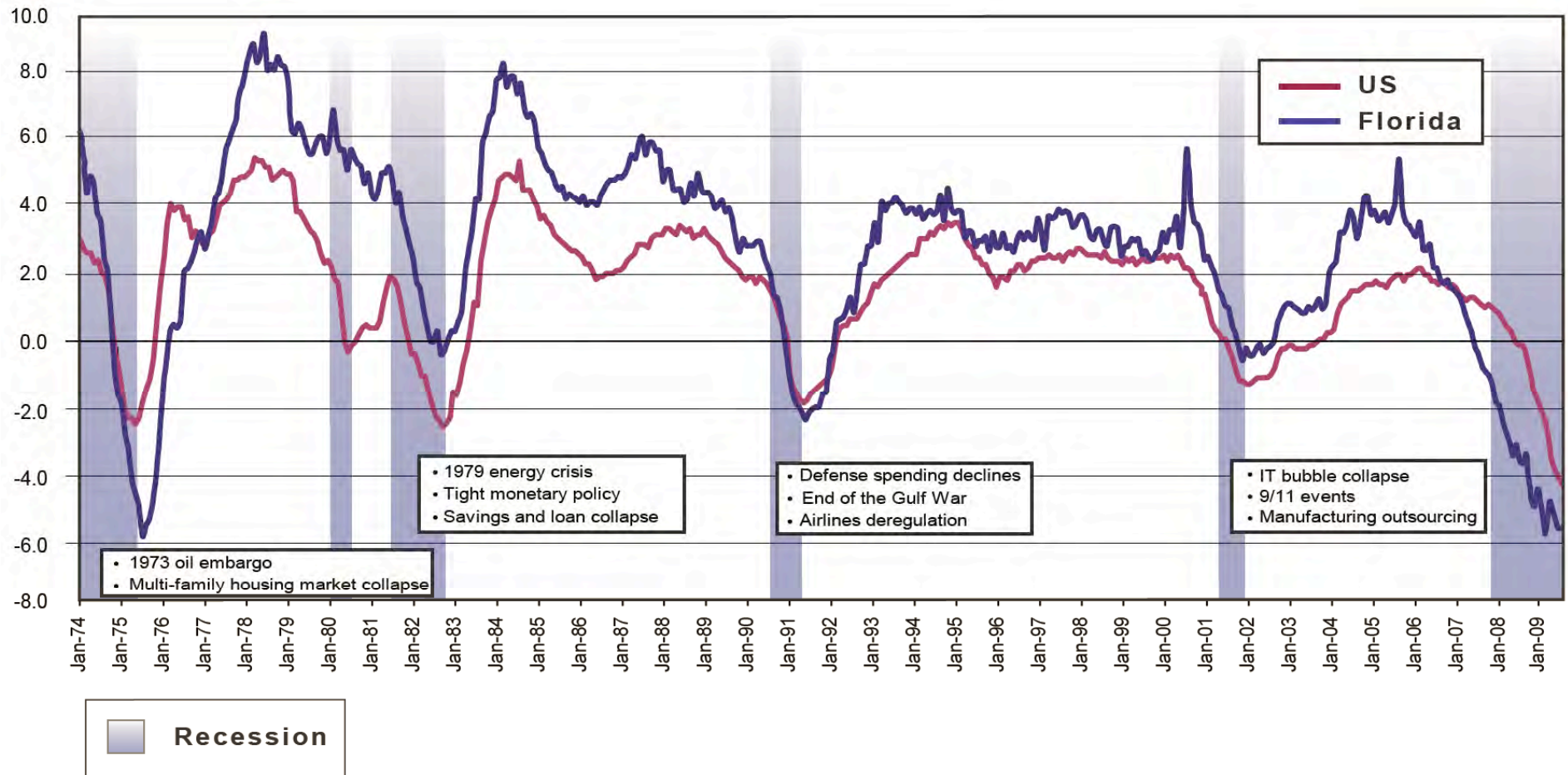


Nonagricultural Employment Growth Rates

Florida and United States

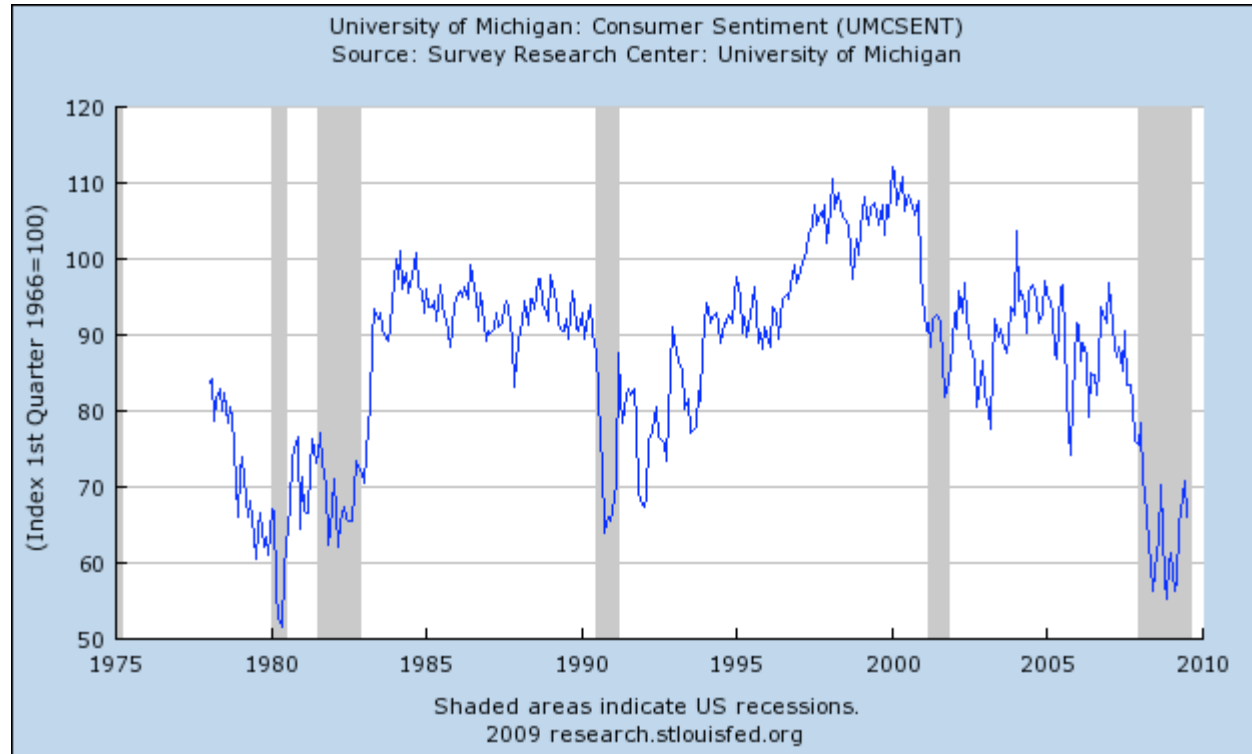
January 1974 – June 2009

Not Seasonally Adjusted



Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center, Current Employment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, released July 17, 2009.

Sentiment is Stabilizing



- Consumer sentiment can be a leading indicator of recession: nationally, it is improving from near the lowest levels ever obtained (66.0 in July versus 51.7 in May 1980), but still fluctuating.
- Florida's consumer confidence (July: 67 versus record low 59 thirteen months ago) is following the national trend.



***Florida Balances With Federal
Stimulus, Revenue Enhancements
And Trust Fund Sweeps***

*Florida's Use of Federal Stimulus, Revenue Enhancements,
and Trust Fund Sweeps Build a Bridge to the Recovery*

1. **Legislative Financial Plan** - In addressing the **\$6.1 billion deficit**, the Florida Legislature used **federal stimulus funds (\$3.2b)**, revenue enhancements (\$2.3b), and trust fund sweeps (\$.58b) to minimize deep budget cuts and build a bridge to recovery and rebuild reserves.
2. **Loss of Federal Stimulus Offset by Recovery** - The Florida Legislature used \$3.2b in non-recurring federal stimulus funds to help balance the FY 09-10 budget. In FY 11-12, when the stimulus program ends, **the official general revenue fund is projected to grow by \$3.0b, offsetting most of the loss in discretionary federal stimulus funds.**
3. **Rebuilding the Reserve** - As a contingency against further revenue shortfalls, the Legislature used trust fund sweeps, rainy day reserves, and unused general revenue to rebuild a **reserve of approximately \$1.0b (4%)**. No provisions have been made at this time to pay back the Chiles Endowment, the Sadowski Fund, or the rainy day reserve.
4. **Flat Funds Available for the Next Three Fiscal Years** - The legislative financial plan contemplates flat revenues for the next three years: FY 09-10 - (\$25.2b), FY 10-11 (\$25.5b), and FY 11-12 (\$24.9b). The revenues from the Indian Compact on casino gambling was not appropriated.
5. **No Growth Bridge** - The legislative financial plan currently contemplates **no growth in state government for the next three fiscal years**. Funding the growth in caseloads and entitlement programs will have to be addressed by budget reductions or additional revenue adjustments.

Legislative Three-Year Financial Plan FY 09-10, FY 10-11 & FY 11-12

Recurring GR + Stimulus + Revenue Adj.	FY 09-10	FY 10-11	FY 11-12
1. Official General Revenue Estimate	\$ 19,860.8	\$ 21,046.5	\$ 22,884.6
2. Measures Affecting Revenues	\$ 1,023.1	\$ 1,025.8	\$ 1,026.3
3. Federal Stimulus - Discretionary	\$ 3,226.5	\$ 2,384.0	\$ -
4. Tobacco Surcharges - Trust Fund	\$ 881.3	\$ 907.1	\$ 893.8
5. Court Fees - Trust Fund	\$ 225.7	\$ 161.6	\$ 138.2
Total GR and Revenue Adjustments	\$ 25,217.4	\$ 25,525.0	\$ 24,942.9

Indian Compact and Other Gaming*	\$ 279.6	\$ 162.7	\$ 167.2
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* Indian Compact subject to Seminole ratification not appropriated.

Total Reserves	FY 09-10
1. Budget Stabilization Fund	\$ 273.9
2. Unappropriated General Revenue**	\$ 735.2
3. FY 08-09 Surplus	\$ 81.0
4. FY 09-10 Shortfall	\$ (147.1)
Total Reserves***	\$ 943.0

** Includes \$600 million in Trust Fund sweeps. If Seminole Indian Compact is ratified, could add an additional \$279.6.

*** Does not include funds in the Chiles Foundation.

FEDERAL STIMULUS OVERVIEW

FY 08-09, FY 09-10 & FY 10-11

<i>PROGRAM SUMMARY</i>	FY 08-09 4/15 LBC	FY 09-10 Conference Report - SB 2600	FY 10-11	TOTAL STIMULUS
EDUCATION	581.4	2,699.7	1,358.0	4,639.1
ENVIRONMENT & AGRICULTURE	1.9	276.5	-	278.4
REVENUE AND ENERGY	11.2	189.4	2.5	203.1
HEALTH AND HUMAN SERVICE	1,877.0	1,964.7	1,057.0	4,898.7
TRANSPORATION & ECONOMIC DEVELOPMENT	1,482.2	544.4	15.0	2,041.6
TOTAL STIMULUS	3,953.7	5,674.7	2,432.5	12,060.9

DISCRETIONARY STIMULUS

FY 08-09, FY 09-10 & FY 10-11

<i>PROGRAM SUMMARY</i>	FY 08-09 4/15 LBC	FY 09-10 Conference Report - SB 2600	FY 10-11	TOTAL STIMULUS
1. State Fiscal Relief K-12	245.3	1,104.4	1,104.4	2,454.1
2. Discretionary Portion of Fiscal Stabilization Fund	-	246.1	246.6	492.7
3. Child Support	11.2	15.0	2.5	28.7
4. Medicaid - FMAP	1,870.0	1,851.4	1,025.4	4,746.8
5. Adoption Assistance - FMAP	1.9	8.0	3.5	13.4
6. Disproportionate Share - FMAP		1.6	1.6	3.2
TOTAL DISCRETIONARY STIMULUS	2,128.4	3,226.5	2,384.0	7,738.9

***General Revenue Continues To
Decline But Remains on Forecast***

General Revenue Recurring History

FY 1999-00 to FY 2012-13

	Revenues	%	Appropriations	%	Expenditure	%
FY 99-00 actual	\$18,867.6		\$ 18,704.8	3.9%	\$ 17,711.9	-1.3%
FY 00-01 actual	\$19,059.5	1.0%	\$ 20,049.6	7.2%	\$ 18,906.0	6.7%
FY 01-02 actual	\$19,083.9	0.1%	\$ 20,281.2	1.2%	\$ 18,605.7	-1.6%
FY 02-03 actual	\$19,346.1	1.4%	\$ 20,005.0	-1.4%	\$ 20,023.3	7.6%
FY 03-04 actual	\$21,527.5	11.3%	\$ 21,132.7	5.6%	\$ 21,017.4	5.0%
FY 04-05 actual	\$24,400.1	13.3%	\$ 22,577.4	6.8%	\$ 22,213.3	5.7%
FY 05-06 actual	\$26,562.9	8.9%	\$ 24,820.7	9.9%	\$ 23,700.4	6.7%
FY 06-07 actual	\$25,480.2	-4.1%	\$ 26,644.6	7.3%	\$ 25,480.2	7.5%
FY 07-08 actual	\$24,159.4	-5.2%	\$ 27,490.2	3.2%	\$ 25,737.0	1.0%
FY 08-09 est	\$20,948.5	-13.3%	\$ 24,973.9	-9.2%	\$ 23,200.2	-9.9%
FY 09-10 est	\$20,879.6	-0.3%	\$ 20,669.7	-17.2%	\$ 20,669.7	-10.9%
FY 10-11 est.	\$22,068.0	5.7%				
FY 11-12 est.	\$23,906.6	8.3%	Forecast			
FY 12-13 est.	\$25,875.3	8.2%				

Components of Sales Tax

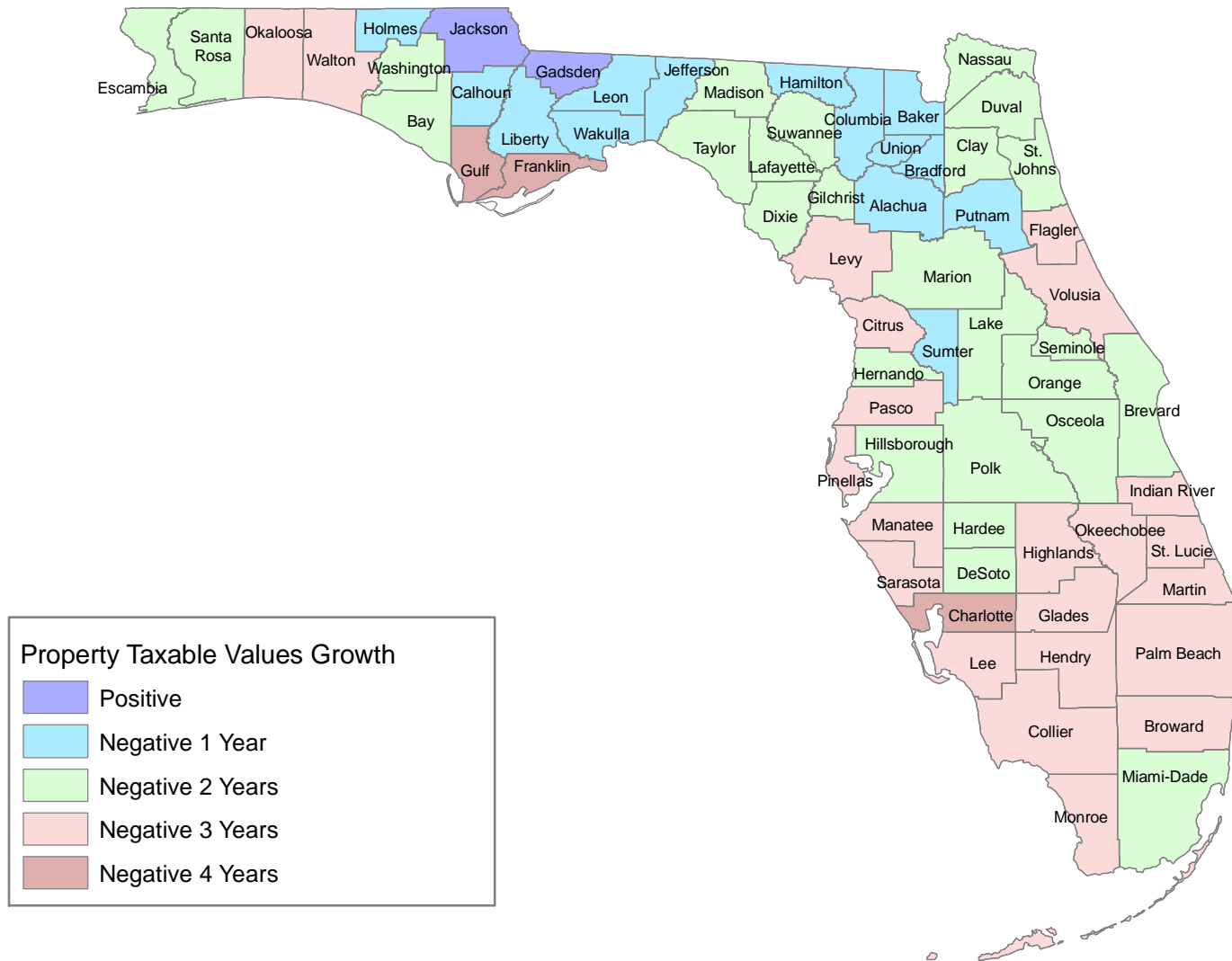
Fy 88-89 to Fy 12-13

	Total		Nondurables (Malls)		Tourism & Rec		Auto & Acc		Other Durable		Building Invest		Business Investment	
	\$mil	% Chg	\$mil	% Chg	\$mil	% Chg	\$mil	% Chg	\$mil	% Chg	\$mil	% Chg	\$mil	% Chg
1988- 89	7,633.3	18.7%	2,334.9	19.5%	1,512.7	21.7	1,377.8	16.1	503.8	16.30%	582.5	21.6	1,321.7	
1989- 90	8,039.9	5.3%	2,496.4	6.9%	1,644.8	8.7%	1,381.3	0.3%	532.9	5.8%	563.4	-3.3%	1,415.0	7.1%
1990- 91	8,042.2	0.0%	2,580.6	3.4%	1,710.7	4.0%	1,296.0	-6.2%	519.7	-2.5%	486.5	-13.6%	1,448.9	2.4%
1991- 92	8,229.6	2.3%	2,678.9	3.8%	1,779.3	4.0%	1,337.3	3.2%	523.8	0.8%	453.7	-6.7%	1,456.7	0.5%
1992- 93	9,262.1	12.5%	2,966.8	10.7%	1,926.7	8.3%	1,586.4	18.6%	605.5	15.6%	434.4	-4.3%	1,642.3	12.7%
1993- 94	9,882.1	6.7%	3,134.7	5.7%	1,969.1	2.2%	1,739.7	9.7%	670.2	10.7%	589.1	35.6%	1,779.3	8.3%
1994- 95	10,526.6	6.5%	3,344.4	6.7%	2,072.9	5.3%	1,874.7	7.8%	725.8	8.3%	622.1	5.6%	1,886.7	6.0%
1995- 96	11,319.1	7.5%	3,582.6	7.1%	2,222.4	7.2%	2,065.6	10.2%	789.1	8.7%	654.7	5.2%	2,004.7	6.3%
1996- 97	11,948.9	5.6%	3,812.8	6.4%	2,361.3	6.3%	2,098.5	1.6%	861.1	9.1%	694.6	6.1%	2,120.5	5.8%
1997- 98	12,795.1	7.1%	4,033.9	5.8%	2,508.8	6.2%	2,319.6	10.5%	941.1	9.3%	745.5	7.3%	2,246.2	5.9%
1998- 99	13,767.1	7.6%	4,219.4	4.6%	2,673.2	6.6%	2,520.1	8.6%	1,100.2	16.9%	838.5	12.5%	2,415.7	7.5%
1999- 00	14,949.2	8.6%	4,515.3	7.0%	2,910.6	8.9%	2,778.5	10.3%	1,218.9	10.8%	926.2	10.5%	2,599.7	7.6%
2000- 01	15,717.2	5.1%	4,853.9	7.5%	3,050.3	4.8%	2,890.3	4.0%	1,270.2	4.2%	961.7	3.8%	2,690.8	3.5%
2001- 02	15,473.5	-1.6%	4,434.7	-8.6%	2,971.0	-2.6%	3,118.4	7.9%	1,236.7	-2.6%	952.2	-1.0%	2,760.6	2.6%
2002- 03	15,534.5	0.4%	4,287.3	-3.3%	2,995.8	0.8%	3,133.9	0.5%	1,245.8	0.7%	1,048.9	10.2%	2,822.9	2.3%
2003- 04	16,952.8	9.1%	4,675.7	9.1%	3,224.5	7.6%	3,349.6	6.9%	1,375.5	10.4%	1,103.5	5.2%	3,223.9	14.2%
2004- 05	18,863.6	11.3%	5,099.0	9.1%	3,517.3	9.1%	3,607.6	7.7%	1,538.9	11.9%	1,367.4	23.9%	3,733.4	15.8%
2005- 06	20,785.9	10.2%	5,616.7	10.2%	3,782.7	7.5%	3,879.9	7.5%	1,716.8	11.6%	1,586.4	16.0%	4,203.4	12.6%
2006- 07	20,869.8	0.4%	5,911.6	5.3%	3,488.8	-7.8%	3,739.3	-3.6%	1,664.6	-3.0%	1,419.7	-10.5%	4,245.8	1.0%
2007- 08	19,699.5	-5.6%	5,909.8	0.0%	3,932.6	12.7%	3,282.3	-12.2%	1,456.9	-12.5%	1,215.0	-14.4%	3,902.9	-8.1%
2008- 09	17,577.1	-10.8%	5,591.6	-5.4%	3,696.8	-6.0%	2,604.1	-20.7%	1,192.3	-18.2%	979.0	-19.4%	3,513.3	-10.0%
2009- 10	16,570.7	-5.7%	5,472.1	-2.1%	3,551.7	-3.9%	2,494.3	-4.2%	1,042.6	-12.6%	829.0	-15.3%	3,180.3	-9.5%
2010- 11	17,428.8	5.2%	5,717.0	4.5%	3,700.1	4.2%	2,799.5	12.2%	1,081.1	3.7%	855.5	3.2%	3,275.6	3.0%
2011- 12	18,846.9	8.1%	6,074.4	6.3%	3,927.2	6.1%	3,037.2	8.5%	1,229.1	13.7%	994.5	16.2%	3,584.5	9.4%
2012- 13	20,364.5	8.1%	6,459.2	6.3%	4,162.5	6.0%	3,188.7	5.0%	1,416.5	15.2%	1,226.1	23.3%	3,911.5	9.1%
Total	100%	FY 09-10	33.0%		21.4%		15.1%		6.3%		5.0%		19.2%	

Highlighted areas indicate year to year declines in categories

Florida

Property Taxable Values by County Negative Growth Rates 2004-2014



School Taxable Value (Growth Rate)

Amounts in \$ millions

including Effect of Major Law Changes: Burden of Proof,
Conservation Lands, Affordable Housing and Low Income

COUNTY	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
FLORIDA	12.4%	18.5%	25.1%	10.7%	-0.3%	-10.8%	-6.3%	1.2%	2.7%	3.6%	3.5%
Alachua	9.0%	13.2%	17.8%	13.1%	7.3%	-0.8%	0.5%	3.0%	3.5%	4.1%	4.2%
Baker	10.7%	15.7%	19.5%	18.3%	7.6%	0.6%	-4.2%	3.2%	3.6%	4.8%	4.8%
Bay	10.8%	38.6%	48.5%	1.4%	1.5%	-9.9%	-3.2%	3.2%	4.1%	5.3%	5.4%
Bradford	5.8%	12.5%	20.0%	11.7%	4.0%	0.6%	-0.2%	2.7%	2.9%	3.6%	3.9%
Brevard	15.1%	22.8%	27.1%	4.3%	1.3%	-11.2%	-4.7%	0.4%	1.5%	2.3%	2.2%
Broward	10.9%	15.4%	19.2%	11.6%	0.2%	-10.4%	-6.5%	-0.8%	1.8%	2.6%	2.5%
Calhoun	3.8%	6.8%	15.7%	15.3%	3.0%	3.5%	-1.8%	2.7%	2.7%	3.0%	3.4%
Charlotte	18.9%	23.7%	50.8%	-2.6%	-15.6%	-15.7%	-13.3%	-2.3%	0.2%	1.2%	1.2%
Citrus	10.7%	23.2%	33.8%	6.5%	-5.0%	-7.5%	-1.4%	2.4%	3.2%	3.7%	3.6%
Clay	13.2%	15.3%	23.3%	16.9%	3.9%	-5.0%	-1.7%	3.0%	3.4%	4.3%	4.4%
Collier	11.5%	19.5%	25.6%	7.3%	-2.0%	-10.7%	-15.5%	1.9%	3.4%	4.4%	4.4%
Columbia	7.7%	12.8%	22.6%	14.7%	6.6%	-1.0%	0.6%	2.8%	3.0%	3.8%	3.8%
Miami-Dade	13.4%	18.6%	21.2%	15.7%	4.2%	-8.8%	-6.3%	1.0%	2.9%	3.8%	3.9%
DeSoto	4.3%	8.7%	54.0%	5.8%	0.1%	-7.5%	-4.0%	1.7%	2.8%	4.0%	4.4%
Dixie	22.9%	22.5%	21.7%	10.1%	0.5%	-11.8%	-0.1%	2.4%	2.6%	3.6%	3.3%
Duval	7.7%	13.9%	13.3%	17.8%	6.4%	-4.4%	-4.3%	1.7%	3.0%	3.8%	3.9%
Escambia	12.6%	5.3%	29.0%	6.8%	3.6%	-3.6%	-1.9%	3.0%	4.0%	4.7%	4.8%
Flagler	26.9%	37.6%	37.1%	13.3%	-3.1%	-14.5%	-3.0%	0.8%	2.6%	3.9%	3.7%
Franklin	29.6%	59.4%	22.4%	-0.4%	-11.0%	-21.4%	-13.0%	0.0%	1.5%	2.3%	2.5%
Gadsden	6.4%	6.7%	14.8%	16.5%	5.1%	2.2%	2.6%	2.6%	2.8%	3.7%	3.9%
Gilchrist	10.6%	15.4%	23.1%	23.0%	5.0%	-2.4%	-3.5%	1.8%	2.8%	4.1%	4.2%
Glades	5.7%	25.4%	17.4%	8.9%	-1.8%	-7.4%	-4.9%	0.0%	0.3%	1.0%	1.3%
Gulf	30.7%	54.2%	8.8%	-5.6%	-4.1%	-21.2%	-12.6%	1.2%	2.5%	3.4%	3.6%
Hamilton	5.2%	6.3%	16.3%	8.3%	5.7%	0.1%	-0.8%	2.0%	2.5%	3.3%	3.5%
Hardee	1.0%	0.7%	10.8%	14.1%	-5.6%	2.0%	-0.5%	1.4%	2.2%	2.9%	2.9%
Hendry	8.4%	14.0%	46.6%	0.3%	-13.3%	-9.9%	-5.8%	3.3%	4.1%	2.2%	1.4%
Hernando	12.5%	21.3%	29.5%	14.7%	0.6%	-7.9%	-4.4%	2.6%	3.3%	4.1%	4.1%
Highlands	8.4%	18.3%	42.6%	17.2%	-2.7%	-7.8%	-3.3%	2.1%	3.1%	3.8%	3.8%
Hillsborough	10.1%	15.8%	21.7%	11.7%	1.9%	-11.8%	-7.4%	1.3%	2.6%	3.6%	3.5%
Holmes	7.8%	6.3%	20.6%	6.7%	1.2%	1.9%	-0.3%	2.3%	2.9%	4.0%	3.5%

COUNTY	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Indian River	13.4%	17.5%	25.3%	2.7%	-0.1%	-8.7%	-3.8%	1.0%	1.8%	2.4%	2.4%
Jackson	5.6%	10.7%	14.8%	9.3%	5.3%	3.7%	2.6%	3.7%	3.6%	4.0%	3.4%
Jefferson	7.5%	17.9%	17.5%	18.6%	2.7%	-0.1%	1.2%	1.5%	1.8%	2.8%	3.0%
Lafayette	3.6%	10.3%	25.0%	13.2%	3.0%	-1.0%	-5.6%	6.0%	4.9%	3.7%	3.8%
Lake	12.9%	20.8%	33.2%	18.7%	1.3%	-8.2%	-4.3%	3.0%	3.7%	5.0%	5.0%
Lee	16.0%	28.2%	39.4%	8.0%	-8.4%	-22.7%	-11.9%	1.6%	3.2%	4.7%	4.5%
Leon	9.2%	13.8%	18.8%	11.8%	3.9%	-6.3%	1.3%	2.4%	2.8%	3.3%	3.3%
Levy	14.8%	21.6%	45.6%	4.1%	-0.6%	-10.6%	-0.3%	2.7%	2.8%	3.5%	3.5%
Liberty	-3.5%	33.8%	43.5%	6.1%	4.8%	-5.8%	3.4%	2.7%	3.5%	4.1%	4.1%
Madison	15.8%	12.8%	25.0%	13.0%	2.4%	-4.8%	-0.7%	2.4%	2.7%	4.0%	3.5%
Manatee	14.1%	16.8%	24.1%	12.3%	-3.0%	-9.0%	-11.5%	-0.1%	2.8%	3.8%	3.8%
Marion	14.0%	17.4%	33.4%	28.6%	0.4%	-10.8%	-5.2%	2.2%	2.9%	3.6%	3.5%
Martin	17.0%	13.6%	20.3%	6.6%	-4.9%	-8.8%	-4.8%	1.8%	2.9%	3.3%	3.2%
Monroe	18.0%	25.6%	22.5%	7.9%	-5.7%	-15.0%	-7.1%	0.5%	1.4%	2.1%	2.3%
Nassau	11.3%	20.0%	21.6%	15.6%	3.3%	-3.2%	-2.6%	3.3%	3.8%	4.5%	4.7%
Okaloosa	11.8%	26.5%	32.2%	5.2%	-2.5%	-6.7%	-6.8%	2.0%	3.2%	4.0%	4.1%
Okeechobee	20.0%	25.1%	22.9%	10.5%	-7.4%	-13.5%	-0.4%	0.8%	1.6%	2.4%	2.3%
Orange	8.5%	11.5%	22.9%	16.6%	5.1%	-10.0%	-5.1%	1.8%	2.6%	3.5%	3.4%
Osceola	12.7%	18.7%	35.5%	20.8%	1.8%	-15.2%	-4.4%	3.8%	4.7%	5.3%	4.9%
Palm Beach	12.9%	16.8%	23.8%	5.6%	-1.2%	-11.2%	-7.1%	0.1%	2.4%	3.2%	3.0%
Pasco	16.5%	22.5%	30.0%	15.5%	-1.8%	-13.2%	-2.6%	2.3%	3.7%	4.6%	4.4%
Pinellas	10.5%	14.5%	20.3%	6.0%	-2.1%	-11.0%	-7.0%	1.3%	2.3%	3.0%	3.0%
Polk	9.5%	14.4%	27.0%	17.8%	4.2%	-10.8%	-5.1%	1.6%	3.0%	3.9%	3.8%
Putnam	6.5%	11.6%	27.0%	5.4%	1.4%	-0.8%	1.0%	3.0%	3.5%	3.7%	3.5%
St. Johns	13.6%	22.2%	27.1%	11.5%	0.2%	-11.9%	-0.6%	3.0%	3.4%	4.1%	4.2%
St. Lucie	25.4%	27.8%	40.4%	5.6%	-9.4%	-19.8%	-6.5%	0.8%	2.2%	2.9%	2.4%
Santa Rosa	11.2%	9.3%	29.8%	8.5%	2.0%	-7.1%	-3.5%	2.7%	3.9%	4.6%	4.4%
Sarasota	13.7%	19.8%	26.9%	6.2%	-10.9%	-11.7%	-8.5%	0.2%	2.6%	3.6%	3.5%
Seminole	7.9%	12.7%	24.1%	12.9%	1.9%	-10.6%	-1.7%	1.5%	2.3%	2.9%	2.8%
Sumter	15.8%	46.3%	36.4%	24.9%	10.7%	6.3%	-0.1%	3.9%	4.5%	5.5%	5.6%
Suwannee	6.3%	31.1%	27.7%	15.2%	1.6%	-6.2%	-0.2%	3.4%	3.3%	4.0%	3.3%
Taylor	6.5%	18.9%	16.8%	10.2%	6.7%	-4.8%	-0.3%	2.3%	2.9%	3.0%	3.4%
Union	2.4%	7.7%	8.9%	21.6%	2.2%	0.7%	-1.2%	0.7%	1.1%	2.3%	3.3%
Volusia	13.8%	22.2%	27.6%	7.6%	-3.2%	-16.0%	-5.1%	0.4%	1.6%	2.4%	2.3%
Wakulla	19.5%	45.3%	17.5%	14.7%	0.1%	-4.4%	1.0%	4.5%	4.1%	4.9%	4.7%
Walton	25.2%	59.0%	28.6%	6.9%	-6.2%	-13.9%	-6.4%	2.8%	3.8%	4.9%	5.0%
Washington	5.9%	14.9%	55.8%	9.4%	-1.4%	-2.0%	0.7%	2.6%	2.6%	3.0%	3.2%

Certified School Taxable Values July 1 Amounts in \$ Millions

	Taxable Value	\$\$ Change	% Change
2000-01	\$ 730,003.2		
2001-02	\$ 805,056.9	\$ 75,053.7	10.3%
2002-03	\$ 888,309.0	\$ 83,252.1	10.3%
2003-04	\$ 989,453.5	\$ 101,144.5	11.4%
2004-05	\$ 1,112,420.5	\$ 122,967.0	12.4%
2005-06	\$ 1,317,737.5	\$ 205,317.0	18.5%
2006-07	\$ 1,648,441.7	\$ 330,704.2	25.1%
2007-08	\$ 1,824,905.7	\$ 176,464.0	10.7%
2008-09	\$ 1,818,991.3	\$ (5,914.4)	-0.3%
2009-10	\$ 1,622,946.1	\$ (196,045.2)	-10.8%
2010-11	\$ 1,520,210.2	\$ (102,735.9)	-6.3%
2011-12	\$ 1,537,830.8	\$ 17,620.6	1.2%
2012-13	\$ 1,579,456.2	\$ 41,625.4	2.7%
2013-14	\$ 1,635,808.8	\$ 56,352.6	3.6%

***Increases in Critical Budget
Needs Reduce Reserves in FY 09-10
And Create Budget Deficits in FY 10-11***

CRITICAL NEEDS LEAD TO BUDGET DEFICT

- **The official National and Florida economic forecasts are currently on track, with the recession ending followed by a prolonged sluggish recovery. Florida will lag the national recovery by three quarters.**
- **Revenue forecasts ended last year \$45.5 million over forecast. Increases in insurance premium tax and corporate tax were offset by decreases in sales tax.**
- **The general sense among Tallahassee economists is that revenues have hit rock bottom. Most economists in the capital believe we may beat the estimate for much of this fiscal year.**
- **While revenue estimates are on track, growth increases in critical budget needs have turned a potential budget surplus (\$1.4b) into a sizable \$1.1 billion deficit (5.4%).**
- **Critical budget needs include constitutional mandates, entitlements, debt service and budget annualizations. For FY10-11 the Legislature's three year outlook identified \$2.5b in critical needs:**
 - * **Medicaid (Growth & FMAP) - \$1,358.5m**
 - * **Public school loss of property tax - \$544.8m**
 - * **Pay annualizations - \$317.7m**
 - * **Other critical needs - \$288.4m**
- **If the legislature extends Meds AD and Medically Needy (\$250.2m) and funds public schools at historic increases (\$498.5m) the deficit will grow to \$1.9b (9.0%).**

Key Budget Drivers....
Critical Needs

	FY 2010-11		FY 2011-12	
	General Revenue		General Revenue	
	Recurring	Non-Recurring	Recurring	Non-Recurring
Critical Needs Include: Annualizations, Entitlement Increases, & Constitutional Mandates				
1. Education - Property Tax, Class Size	\$ 554.8	\$ -	\$ 10.5	\$ -
2. Education - Stimulus Restoration	\$ -	\$ -	\$ 1,216.9	\$ -
3. Medicaid - Caseload & FMAP	\$ 1,358.5	\$ 250.2	\$ 1,130.7	\$ -
4. Health & Human Services	\$ 80.0	\$ -	\$ 31.2	\$ -
5. Judiciary	\$ 62.0	\$ -	\$ 27.0	\$ -
6. Criminal Justice & Corrections	\$ 132.8	\$ 22.0	\$ 131.1	\$ 103.0
7. Adm. Funds - Pay Annualizations	\$ 317.7	\$ -	\$ 132.6	\$ -
8. State Disasters	\$ -	\$ 9.8	\$ -	\$ 9.1
9. General Government	\$ 13.4	\$ 26.4	\$ 4.0	\$ 145.6
Total Critical Needs	\$ 2,519.2	\$ 308.4	\$ 2,684.0	\$ 257.7
Does Not Include:				
Meds AD and Medically Needy	\$ 250.2		\$ 582.8	
Historic FEFP Base Adjustments	\$ 498.5		\$ 516.6	
	\$ 748.7		\$ 1,099.4	

Critical Needs Lead to Budget Deficit

	June Estimate FY 2010-11	August Revision FY 2010-11	
GR Adjusted for Critical Needs			
1. Recurring General Revenue	\$ 22,112.2	\$ 22,068.0	
2. Recurring Expenditure Base	\$ (20,669.7)	\$ (20,669.7)	
3. Critical Needs - Medicaid		\$ (1,358.5)	
4. Critical Needs - Public Schools		\$ (554.8)	
5. Critical Needs - Annualized Pay		\$ (317.7)	
3. Critical Needs - Other		\$ (288.2)	
Surplus/Deficit	\$ 1,442.5	\$ (1,120.9)	-5.4%
	Surplus	Deficit	

High Priority Needs			
4. Meds AD & Medically Needy	\$ (250.2)	\$ (250.2)	
5. Historic FEFP Adjustments	\$ (498.5)	\$ (498.5)	
Surplus/Deficit	\$ 693.8	\$ (1,869.6)	-9.0%
	Surplus	Deficit	

Local Government Financial Perfect Storm

1. **Property Tax Base - Recession** caused sharp declines in property taxable values.
2. **Property Tax Base & Rates - Legislative statutory** changes shrink the property tax base and roll back millage rates.
3. **Property Tax Base & Rates - Constitutional amendments** expanded property tax exemptions, and enacted growth limits. Proposed **constitutional amendment** will further restrict the tax base.
4. **Revenue Sharing - Recession** caused dramatic declines in revenue sources shared with local governments: sales tax, motor fuel tax, and cigarette taxes.
5. **Local Optional Revenues - Recession** caused dramatic declines in sales, transient rental, and communication service taxes.
6. **Grants and Aids to Local Government (Dedicated Revenues) - Recession** caused dramatic declines in revenues (documentary stamp tax) that were earmarked to support local services.
7. **Grants and Aids to Local Government (Non-recurring revenues) - Recession** drained budget stabilization funds and dramatically reduced non-recurring reserves. Non-recurring funds are the primary revenue source for the community budget issue request system (CBIRS).
8. **Revenue and Expenditure Limitations - Legislative statutory** changes mandate budget reductions and **constitutional changes** enacted revenue and expenditures limitations.